

Fill in this information to identify the case:

Debtor 1	<u>Jose M. Galarza</u>
Debtor 2 (Spouse, if filing)	<u>Angela M. Galarza</u>
United States Bankruptcy Court for the : <u>Eastern</u>	District of <u>Pennsylvania</u> (State)
Case number	<u>19-14813-AMC</u>

Official Form 410S1

Notice of Mortgage Payment Change

12/15

If the debtor's plan provides for payment of postpetition contractual installments on your claim secured by a security interest in the debtor's principal residence, you must use this form to give notice of any changes in the installment payment amount. File this form as a supplement to your proof of claim at least 21 days before the new payment amount is due. See Bankruptcy Rule 3002.1.

Name of creditor: M & T Bank

Court claim no. (if known): n/a

Last four digits of any number you use to identify the debtors' account: XXXXXX8837

Date of payment change:
Must be at least 21 days after date of this notice 12/1/2019

New total payment:
Principal, interest, and escrow, if any \$1,480.01

Part 1: Escrow Account Payment Adjustment

1. Will there be a change in the debtors' escrow account payment?

No

Yes. Attach a copy of the escrow account statement prepared in a form consistent with applicable nonbankruptcy law. Describe the basis for the change. If a statement is not attached, explain why: _____

Current escrow payment: \$ 416.33

New escrow payment : \$ 414.27

Part 2: Mortgage Payment Adjustment

2. Will the debtors' principal and interest payment change based on an adjustment to the interest rate in the debtors' variable-rate note?

No

Yes. Attach a copy of the rate change notice prepared in a form consistent with applicable nonbankruptcy law. If a notice is not attached, explain why: _____

Current interest rate: %

New interest rate: %

Current principal and interest payment: \$ _____

New principal and interest payment: \$ _____

Part 3: Other Payment Change

3. Will there be a change in the debtors' mortgage payment for a reason not listed above?

No

Yes. Attach a copy of any documents describing the basis for the change, such as repayment plan or loan modification agreement.
(Court approval may be required before the payment change can take effect.)

Reason for change: _____

Current mortgage payment: \$ _____

New mortgage payment: \$ _____

Debtor 1

Jose M. Galarza
First Name Middle Name Last Name

Case number (if known) 19-14813-AMC

Part 4:

Sign Here

The person completing this Notice must sign it. Sign and print your name and your title, if any, and state your address and telephone number.

Check the appropriate box.

- I am the creditor.
 I am the creditor's authorized agent

I declare under penalty of perjury that the information provided in this Notice is true and correct to the best of my knowledge, information, and reasonable belief.

X /s/Heather D. Bock
Signature

Date 11/8/2019

Print: Heather D. Bock
First Name Middle Name Last Name Title Authorized Agent

Company McCalla Raymer Leibert Pierce, LLC

Address 1544 Old Alabama Road
Number Street
Roswell GA 30076
City State ZIP Code

Contact phone 678-281-6444 Email Heather.Bock@mccalla.com

In Re:
Jose M. Galarza
Angela M. Galarza

Bankruptcy Case No.: 19-14813-AMC
Chapter: 13
Judge: Ashely M. Chan

CERTIFICATE OF SERVICE

I, Heather D. Bock, of McCalla Raymer Leibert Pierce, LLC, 1544 Old Alabama Road, Roswell, GA 30076, certify:

That I am, and at all times hereinafter mentioned, was more than 18 years of age;

That on the date below, I caused to be served a copy of the within NOTICE OF MORTGAGE PAYMENT CHANGE filed in this bankruptcy matter on the following parties at the addresses shown, by regular United States Mail, with proper postage affixed, unless another manner of service is expressly indicated:

Jose M. Galarza
P.O. Box 129
Strausstown, PA 19559

Angela M. Galarza
P.O. Box 129
Strausstown, PA 19559

JOSEPH T. BAMBRICK, JR.
Joseph T. Bambrick Jr. Esq.
529 Reading Avenue, Suite K
West Reading, PA 19611

(*served via ECF Notification*)

SCOTT F. WATERMAN (Chapter 13), Trustee
2901 St Lawrence Ave
Suite 100
Reading, PA 19606

(*served via ECF Notification*)

U.S. Trustee
United States Trustee
Office of the U.S. Trustee
200 Chestnut Street
Suite 502
Philadelphia, PA 19106

(*served via ECF Notification*)

I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

Executed on: 11/8/2019 By: /s/Heather D. Bock
(date) Heather D. Bock
Authorized Agent for M & T Bank

Contact Us

	Customer Service:	1-800-411-7627
	Property Tax:	1-866-406-0949
	Property Insurance:	1-888-882-1847
	Home Purchase or Refinancing:	1-800-479-1992
	NMLS	[REDACTED]

	Correspondence Address:	PO BOX 1288 BUFFALO, NY 14240-1288
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 <https://onlinebanking.mtb.com>

Loan Number: [REDACTED]
Property Address: 9 WASHINGTON AVE
STRAUSSTOWN PA, 19559
Statement Date: 10/24/19

Dear Customer,

As your mortgage partner, we strive to exceed your servicing expectations. We are providing you with the following statement which details your escrow account activity. Please refer to our Frequently Asked Questions, page 4, or call one of the appropriate customer service numbers referenced above with any questions or concerns.

Based on our review, you have no shortage or surplus.

Your Account History, page 2, shows what has already happened on your account. To see what we anticipate happening with your account over the next 12 months, turn to Projected Escrow Payments, page 3.

Your Mortgage Payment Options

As a result of this analysis, we have determined your payment amount will not change.	Payment Information	Current Monthly Payment	New Monthly Payment for 12/01/2019
	Principal & Interest:	\$1,065.74	\$1,065.74
	Escrow Payment:	\$414.27	\$414.27
	Total Payment:	\$1,480.01	\$1,480.01

The servicer is required to complete an escrow account analysis annually to determine whether a surplus, shortage or deficiency exists and must make any necessary adjustments to the account. Upon completion of the analysis, the lender is then required to prepare and submit an annual escrow account statement to the customer.

INTERNET REPRINT

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Your Account History**

Please remember, as your taxes and/or insurance increase on an annual basis, the escrow portion of your payment may increase. If you have any questions about this Escrow Analysis, please call our Customer Service Department toll free at 1-800-411-7627.

Month	Projected Payment to Escrow	Actual Payment to Escrow	Description	Projected Disbursement	Actual Disbursement	Projected Balance	Actual Balance
			Beginning Balance			\$1,104.10	\$1,078.21
Oct 19	\$414.27	\$414.27	Risk Bsd FHA	\$46.24	*	\$1,472.13	\$1,492.48
Oct 19			Risk Bsd FHA		\$46.24	*	\$1,472.13
Nov 19	\$414.27	\$414.27	Risk Bsd FHA	\$46.24	\$46.24	\$1,840.16	\$1,814.27

The total amount of escrow payments received during this period was \$828.54 and the total escrow disbursements were \$92.48.

An asterisk (*) indicates a difference from a previous estimate either in the date or the amount of the deposit/disbursement.
 ** This section may also reflect anticipated escrow activity that has not yet occurred prior to the effective date of this analysis.

Borrower Paid Mortgage Insurance Premium: Your mortgage loan requires a borrower paid mortgage insurance premium ("MIP"). MIP is insurance from the Federal Housing Administration ("FHA") that protects lenders against loss in the event a borrower defaults on a mortgage.

Effective for all loans closed on or after January 1, 2001, FHA annual MIP will be automatically cancelled under the following conditions:

Loans with FHA case numbers assigned before June 3, 2013:

- Mortgage loan terms greater than 15 years: the annual MIP will be cancelled when the loan to value ratio reaches 78%, provided the mortgagor has paid the annual mortgage insurance premium for at least five years.
- Mortgage loan terms less than or equal to 15 years with a loan to value ratio greater than 78%: the annual MIP will be cancelled when the loan to value ratio reaches 78%.

FHA will determine when you have reached the 78% loan to value ratio based on the lower of the sales price or appraised value at origination. New appraised values will not be considered. Cancellation of the annual mortgage insurance premium will normally be based on the scheduled amortization of the loan. However, in cases where additional payments have been applied to the loan balance as a prepayment, cancellation can be based on the actual amortization of the loan. If you have prepaid and believe you have met the requirements for cancelling the FHA insurance, please send a written request to us at P.O. Box 1288, Buffalo, NY 14240.

Loans with FHA case numbers assigned on or after June 3, 2013:

- Mortgage loan terms greater than 15 years with loan to value ratio greater than 90%: duration of the annual MIP is the loan term.
- Mortgage loan terms greater than 15 years with loan to value ratio less than or equal to 90%: duration of the annual MIP is 11 years.
- Mortgage loan terms less than or equal to 15 years with loan to value ratio greater than 90%: duration of the annual MIP is the loan term.
- Mortgage loan terms less than or equal to 15 years with loan to value ratio less than or equal to 90%: duration of the annual MIP is 11 years.

To the extent your original obligation was discharged, or is subject to an automatic stay of bankruptcy under Title 11 of the United States Code, this statement is for compliance and/or informational purposes only and does not constitute an attempt to collect a debt or to impose personal liability for such obligation. However, M&T Bank retains rights under its security instrument, including the right to foreclose its lien.

Projected Escrow Payments Over the Next 12 Months**Anticipated Annual Disbursements**

Mortgage Ins:	\$554.88
Hazard Ins:	\$729.00
County Tax:	\$1,209.20
Taxes:	\$2,478.17
Total:	\$4,971.25

The cushion allowed by federal law (RESPA) is two times your monthly escrow payment (excluding MIP/PMI), unless state law specifies a lower amount.

Projected Escrow Balance Summary

M&T Bank expects to pay \$4,971.25 over the next 12 months.	
Here's how to calculate your new monthly escrow payment:	
Total Taxes and Insurance:	\$4,971.25
Divided by 12 months:	\$414.27
New Monthly Escrow Payment:	\$414.27

Projections for the coming year: The following summary shows anticipated activity in your escrow account for the next twelve months, which was used to calculate your payment above.

Month	Monthly Escrow Payment	Amount Scheduled to be Paid	Description	Projection Based On Current Balance	Projection Based On Required Balance
			Beginning Balance	\$1,814.27	\$1,840.16
Dec 19	\$414.27	\$46.24	Risk Bsd FHA	\$2,182.30	\$2,208.19
Jan 20	\$414.27	\$46.24	Risk Bsd FHA	\$2,550.33	\$2,576.22
Jan 20		\$729.00	Hazard Ins	\$1,821.33	\$1,847.22
Feb 20	\$414.27	\$46.24	Risk Bsd FHA	\$2,189.36	\$2,215.25
Mar 20	\$414.27	\$46.24	Risk Bsd FHA	\$2,557.39	\$2,583.28
Apr 20	\$414.27	\$46.24	Risk Bsd FHA	\$2,925.42	\$2,951.31
Apr 20		\$1,209.20	County Tax	\$1,716.22	\$1,742.11
May 20	\$414.27	\$46.24	Risk Bsd FHA	\$2,084.25	\$2,110.14
Jun 20	\$414.27	\$46.24	Risk Bsd FHA	\$2,452.28	\$2,478.17
Jul 20	\$414.27	\$46.24	Risk Bsd FHA	\$2,820.31	\$2,846.20
Aug 20	\$414.27	\$46.24	Risk Bsd FHA	\$3,188.34	\$3,214.23
Aug 20	\$2,478.17		School Tax	\$710.17	\$736.06
Sep 20	\$414.27	\$46.24	Risk Bsd FHA	\$1,078.20	\$1,104.09
Oct 20	\$414.27	\$46.24	Risk Bsd FHA	\$1,446.23	\$1,472.12
Nov 20	\$414.27	\$46.24	Risk Bsd FHA	\$1,814.26	\$1,840.15

Escrow Requirements, New Mortgage Payment and Anticipated Annual Disbursements

Projected Beginning Balance	\$1,814.27
-Required Minimum Balance	\$1,840.16
Surplus/Shortage	\$0.00**

Your lowest monthly escrow balance for the next 12 months should reach \$736.06, which equals a reserve of two months escrow deposit. The expected amount in your escrow account after your 11/19 payment is \$1,814.27. Your starting balance according to this analysis should be \$1,840.16. This means that you have neither a shortage or surplus.

**This has been adjusted for the bankruptcy proof of claim.

Mortgagor Guide to Frequently Asked Escrow Analysis Questions (FAQ Document)

• What is an escrow analysis and why am I receiving this document?

Federal mortgage laws require all mortgage lenders to perform an escrow analysis on all loans minimally once a year. As a result, M&T Bank conducts an escrow analysis accordingly. The analysis is a calculation of your escrowed items – when they are due, the frequency of pay (annually, semi-annually, and quarterly) and the amount of the payment. This then determines if we are over collecting, under collecting or accurately collecting funds to make these payments on your behalf.

There are several reasons why an off-cycle analysis is performed. Common reasons include: loan is acquired or transferred, customer request (new exemption or adjusted bill issued), change in insurance or tax due dates.

• What is an escrow account?

An escrow account is an account set inside your mortgage account. On a monthly basis funds you remit are placed in the account, held and when the time comes, paid to your tax and/or insurance agency. A full accounting of these funds appears on the following statements: monthly mortgage statement, year-end statement and your escrow analysis statement. Typically the payments made are to your real estate tax municipalities and insurance agent. Other payments may be made according to your mortgage agreement.

• What is an escrow payment?

The portion of your monthly payment remitted which is held and then used to pay your escrowed items as they become due.

• How do you determine the required beginning escrow balance?

The portion of your monthly payment remitted which is held and then used to pay your escrowed items as they become due.

• What is an escrow reserve also known as a cushion?

An escrow reserve also known as a cushion is the amount of money collected in the escrow to cover any unanticipated increases in your real estate tax or insurance premium payment. It acts as a buffer and prevents your escrow account from being overdrawn. An escrow reserve exists on your account unless your mortgage documents or state law applies.

• How is an escrow analysis completed?

We itemize all applicable disbursements such as the real estate property tax and insurance premium which are scheduled to be paid on your behalf in the next 12 months. We take the total and divide the payment by 12 payments. The total amount of the disbursements divided by 12 is equal to your monthly escrow payment.

• Will my escrow payment amount remain the same if I remit the entire shortage amount at once?

By paying the full shortage amount this will result in an adjustment to your account which will result in a payment with the smallest possible increase in your monthly mortgage payment. It's important to keep in mind any increase in your real estate tax amounts and/or insurance premium may cause your payment amount to change even if you pay your shortage amount.

• If I would like to remit the shortage payment, what steps do I need to take?

You may pay the entire shortage amount by returning the shortage coupon attached to the bottom of page 1 of your escrow analysis along with your check to: M&T Bank, Escrow Department, PO Box 64787, Baltimore, MD 21264-4787

• What if I do not remit the shortage payment?

If you do not wish to remit the entire shortage payment in one lump sum, you can instead remit the new payment amount over the next 12 months. The escrow analysis calculation automatically spreads the shortage amount over the next 12 months.

• Why did my monthly escrow payment amount change?

There are a number of reasons why escrow payment amounts change. Below are the most common reasons why the amount may change:

Real Estate Tax –

Tax rate and/or property's assessed value changed
Tax exemption status added, changed or removed
The payment of a supplemental tax bill or delinquent tax paid from escrow
New tax requirement
Tax(es) paid as a result of non-payment

Insurance Premium(s) –

Premium rate changed
Coverage changed
Additional premium paid but not anticipated to be paid from escrow, such as change in carrier
New insurance requirement
Lender paid insurance from escrow
Flood insurance map changed

Payments –

Monthly payments received were a different amount than what was expected. For example:

- The monthly payments received were less than the amount requested, shorting the funding of escrow
- Previous escrow shortage amount was not paid in full before new analysis

• Information Regarding Insurance –

Hazard insurance, also referred to as homeowner's insurance, is an insurance policy purchased to protect your property from certain hazards such as fire and theft. Policy coverage may vary. See your insurance policy information for details regarding your specific coverage(s).

If you decide to change your insurance carrier, send the new policy information to: M&T Bank, Its Successors and/or Assigns, PO Box 5738, Springfield, Ohio 45501-5738

Fax: 866-410-9956

Additional questions can be directed to 888-882-1847.

• Information Regarding Real Estate Tax Bills –

Where to mail your tax bill:

M&T Bank
PO Box 23628
Rochester, NY 14692-9813
FAX: 817-826-0675